

**DEMOCRATIC DEVELOPMENT
AND CITIZEN
PARTICIPATION DDCP 3**

**QUARTERLY REPORT VII
April 1 to June 30, 2005**

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**Democratic Development and Citizen Participation (DDCP)
Phase 3**

Period: April 1 to June 30th 2005

Quarterly Report No. 2/2005 to USAID

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I. INTRODUCTION

This quarter has been characterized by national political events that culminated in the departure of President Carlos Mesa. The crisis further deepened during the months of May and the beginning of June, which led to some delays in the work plan of the DDCP 3 Project.

These events notwithstanding, the Project has made significant progress as is summarized below. With the change in presidential leadership, a period of transition began that will conclude in January 2006 with the swearing-in of a new President as well as congressional representatives. The elections to be held on December 4th of this year will have an impact on the work plan of the Project. Beginning with the quarter being addressed in this report, a review of all possible impacts resulting from this political situation has begun in order to maintain the focus, impact and results of the Project on track. Following are some of the more remarkable advances achieved during the quarter. Detailed information may be found in the body of the report.

Highlights of the quarter:

- **Governance.** EDAs have been applied in all the municipalities of the Project. The participation of women and indigenous groups has been remarkable: there has been a significant participation of women in the EDAs (more than 484 between the micro-regions of Altiplano and Chiquitania) thereby succeeding in having their demands remain in the POA (as confirmed in EDA1). Likewise, there has been a significant increase in rural investments in the remaining POAs.
- **Finances.** The 15 municipalities receiving direct assistance from the DDCP 3 Project (democracy area) have succeeded in balancing their accounts and in executing their monthly budgets through the month of May 2005. These have all been submitted to the Ministry of Finance. Technical assistance has begun in order to increase tax collection in the municipalities of San Juan de Yapacani and Cliza. During the next quarter, coverage will be extended to the municipalities of Ascension de Guarayos, Concepcion, Rurrenabaque and Reyes.
- **IDM.** Information regarding the application of the IDM was carried out during the previous period, which demonstrated that the technical assistance of the Project has improved the IDM indicators in 13 of the 15 municipalities receiving direct action from the Project in the area of democracy.
- **Local Economic Development (DEL).** Close to 100 of the country's municipalities have received training on the application of the DS 27328 "Compro Boliviano" in coordination with the Ministry of Finance.
- **Municipality of El Alto.** The company "Nueva Economia" has been contracted to execute the study titled: "Strategy of Economic Development for the Municipality of El Alto". To date, the study is in its last phase and already the following has been attained: a commitment from the municipal Executive and Legislative branches to use said strategy as a guiding document for the actions of the municipality in issues of local economic development (DEL). Likewise, a commitment has been attained regarding various international cooperation projects (especially from USAID) to ensure financing for several of the activities planned as part of the strategy. Based on this experience, efforts were initiated to support the Municipality of Cochabamba in the area of local economic

development. The hiring of consultant services for this purpose is expected during the next quarter.

- **Services.** Five Municipal Committees for the Management of Basic Services (CMGSB) have been formed. This is having an impact on the indicators for municipal administration and citizen participation. The residents, authorities, and State institutions with a stake in this topic seek solutions to problems related to the improvement of municipal services and work towards establishing a consensus and mechanisms in order to achieve this end.
- **National.** Support began to be provided for the training program for “Jovenes con la Participacion Popular (JCPs)” by involving DDCP 3 facilitators. Strategic alliances have been strengthened with the following institutions: Casals Associates (Anti-corruption Project), BOLFOR, CADEFOR, SNV, CIFOR, Prefecture of Santa Cruz, Ministry of Sustainable Development, INRA, VIPFE, DUF, MACIA, Prefecture of Oruro, SENASAG, MACPIO, Ministry of Popular Participation, PP-PDCR II project, CIPCA and ORCIOs, Ministry of Tourism, UCAC and FAM.

II. SIGNIFICANT ACHIEVEMENTS OF THE QUARTER

A. ADMINISTRATION OF CONTRACTS AND GRANTS

The area of Administration of Contracts and Grants executed the following contracts pertaining to both short-term consultants as well as permanent personnel based on the hiring plans of each of the Project's Technical Areas:

1. Nine contracts have been signed with outside consultants in the following areas: production of material regarding success stories; inter-governmental transfers within the Agenda of Municipal Representation with FAM; implementation of the Citizen Information and Communication Units (UCIM); Regional Economies within the Agenda of Municipal Representation with FAM; Consultancy on Municipal Districting in Yungas; Design of Municipal Administration Training Modules with a Gender focus; Production of Spots and Radio Programs; Design of a Strategy of Communication for the Tropic of Cochabamba; consultancy on the methodological arrangement of gender proposals before the Constitutional Assembly.
2. The regional teams have been strengthened with the temporary hiring of 6 technical experts on financial topics (for a period of three months) that will address the timetable regarding the post-electoral transition.
3. Eleven fixed term consultancy contracts have been signed in response to the Project's work plan in both the technical and administrative areas.
4. The selection process has concluded for the following staff positions: Coordinator of the Training and Communications area (Berarda Sarue replacing Jorge Aliaga); Administration and Contracts Manager (Lourdes Silva replacing Elba Mercado). The Project has provided support in the hiring process for the positions of Coordination of the Chapare Office (replacing David Manzaneda), local economic development specialist (replacing Juan Carlos Quiroga). In response to the new plan for Project strengthening, support has been provided in the hiring process of the following new positions: 4 regional coordinators (Amazonia, Chiquitania, Altiplano, Valle Alto); IDM specialist.

5. Participated in the entire bidding and awarding process of an Established Price Subcontract to the company Nueva Economia, which will be in effect from April 19 through July 19 2005. This company will be in charge of designing a strategy of local economic development for the municipality of El Alto. This subcontract was signed at ICMA/W.
6. In the area of finances, the increased operations of the Project are most remarkable as is its impact on the rate of expense. This has exponentially increased the demands on this unit. In order to address the new requirements, a financial assistant has been hired and a system of integrated financial administration has been designed that will provide support in expenses follow-up and project accountability. This system will be ready in July.

B. AREA: GOVERNANCE

Result 1: Greater social participation in participatory planning of POA and in accountability.

- Progress Encounters 1 (EDA-1) have been held in the 15 municipalities of the Project's direct intervention. More municipal actors in the municipalities of the DDCP 3's intervention are embracing the instruments of the Participatory Municipal Administration Cycle (CGMP). The new municipal authorities have taken on their roles in these types of events by presenting their respective reports and civil society has responded with its participation in said events.
- Local technical experts have consolidated the process of training and technical assistance in the administration of the CGMP instruments in the municipalities where the DDCP 3 provides assistance.
- The events of CGMP are contributing to the municipal governments' ability to embrace the principles related with transparency, participation and an ongoing relationship with civil society, thereby generating conditions of governance and administration to date.

Result 2: Strengthened capacities for administration on the part of municipal actors.

- The execution of ongoing training and technical assistance workshops for the new authorities of the Executive and Municipal Council as well as with representatives of civil society (oversight committees) on the use of the CGMP instruments, has enabled them to understand and act in accordance with their competencies, roles, functions and responsibilities.
- The ongoing technical assistance provided by the DDCP 3 has enabled each institutional actor to begin to understand and take on the norms and competencies assigned to it by Law in order to avoid future conflicts regarding competencies. In this way the Municipal Executive branch, the Municipal Council and the social actors are contributing to the generation of conditions of governance.

III. Challenges / issues of concern that affect implementation and actions taken for their resolution

- Given the turnover in municipal authorities at the beginning of this year, a weak administration persists as a result of the low managerial capacity that exists mainly in the municipal Executive branch and its technical team.
- Weak follow-up of social actors overseeing the execution of works.

Recommendations / Responsible Parties

- Carry out a **Social Management Workshop** geared to the Mayors and Upper Level Administrative Officials of the Municipal Governments.
- Increase the efforts of the Project in order to generate capacities in the social and institutional actors to perform follow-up on the execution of works, which would enable a better physical and financial execution of the POA. Grassroots Territorial Organizations (OTBs) should be reinforced so they may better understand their rights and obligations as part of civil society in municipal administration. This will be accomplished with the actions that have been scheduled where greater integration will be made regarding the issue of Services, focused on specific coordinating projects with the area of governance.
- Maintain constant and prompt technical assistance support geared to the compliance of results planned based on the managerial guidelines identified in the Index of Municipal Development (IDM).

C. AREA: MUNICIPAL ADMINISTRATION AND FINANCE

Result 1: Strengthened municipal finances in the municipalities of the DDCP 3.

Intermediate Result 1: Municipalities with orderly and current accounts.

- Training and technical assistance events on SINCOM have been carried out. As a result, 15 municipalities with direct DDCP 3 intervention have submitted their financial statements to the Ministry of Finance and 11 of these have required no further scrutiny to date.
- With the ongoing support of the local technical experts (TLs) in the field, the 15 municipalities with direct assistance from the DDCP 3 (democracy area) have managed to update their accounts and have planned their monthly budgetary executions through May of 2005. These have also been submitted to the Ministry of Finance.

Intermediate Result 2: Municipal authorities and technical experts have been trained and indoctrinated on Law 1178.

- In coordination with CENCAP, municipal authorities and technical experts from 82 municipalities have been trained on the application of Law 1178. More awareness regarding responsibilities related to public functioning and its application to the municipality's subsystems and administration has been achieved.
- The alliance with the CENCAP is progressing with positive results and serves as a guarantee of the sustainability of these training sessions.

Intermediate Result 3: Municipal authorities and technical experts have been trained and indoctrinated on norms of procurement.

- The authorities of 2 micro-regions (Amazonia and Yungas) have been trained and indoctrinated on the importance of the basic norms of procurement of goods and services (SABS). The other micro-regions also have plans in the works for carrying out

training on this topic and not only at the level of municipal authorities but also at the level of municipal technical experts. Application of the SABS norms will enable a better execution of the budget on the part of the municipalities.

Intermediate Result 4: Increased indicators for Fiscal Independence and efficiency of collection of revenues.

- An awareness building process has been initiated regarding the importance of the transparent administration of municipally-owned resources at the level of municipal authorities and technical experts.
- The training courses developed with CENCAP and the ongoing technical assistance of the DDCP 3 project, based on tax assessments, will contribute to improving municipal collections.

Result 2 : Results of the 2005 IDM were completed for the municipalities receiving direct technical assistance.

- After training was provided to local technical experts of the DDCP 3 on the gathering of IDM information, the latest results show that our technical assistance has improved the IDM in the 13 of the 15 municipalities where the DDCP 3 provides direct technical assistance.
- Adjustments to the DDCP 3 training and technical assistance actions are being carried out in the municipalities in accordance with the results obtained from the IDM.
- Support was provided in the selection process of the IDM specialist that will be hired next July to increase follow-up efforts regarding the mechanism and coordination of the PAI as a national public policy.

Challenges / issues of concern that affect implementation and actions taken for their resolution

- Implementation of strategies for increased municipal collections taking into account that it is a topic that generates resistance among the civil population and the characteristics of the municipalities in each micro-region.
- Increase the levels of budgetary execution of the municipalities by building awareness on the topic and improving the planning capacity of the municipal technical experts and authorities.
- Consolidating the strategic alliance of training on municipal financial topics with the CENCAP in order that this agency constitutes an ongoing support to the development of the institutional capacity of the municipalities.
- Generate capacities in order that the financial information be utilized for purposes of analysis and decision-making. This information should not only be a requisite of formal compliance for the Ministry of Finance.

Recommendations / Responsible Parties

- Development of a good strategy of communication and municipal institutional image building regarding the topic of income collection in the municipalities.
- Maintain monthly follow-up of budgetary executions, outlays, and revenues, especially regarding self-generated resources of the municipalities.
- Coordinate with the CENCAP to work on other topics of the agreement in addition to the recurring topic of training.

D. AREA: LOCAL ECONOMIC DEVELOPMENT (DEL)

Result 1: Increased investments in local economic development in the Municipality and increased public investments of support for economic production and promotion of DEL.

- Support was provided to the municipalities of Chiquitania and Amazonia on the identification and design of 3 important infrastructure projects in order to participate in former President Mesa's framework of decrees of economic reactivation. These efforts are framed within the concept of integral projects related to tourism destinations in those regions, specifically in touristic circuits. The Project provides cooperation in coordinating actions between the municipalities and the FNDR, FPS and Social Protection Network.
- With the Project's support, it has been possible for the municipalities receiving direct support to increase their efforts for compliance with SNIP norms and the minimal requirements of development funds. With the training and technical assistance provided in this matter, actions for learning have been promoted in the formulation and administration of service projects.
- The bidding process was begun for the development of the CIPAE in the municipality of El Alto. The contract is expected to be awarded in July.

Result 2: The municipalities acquire goods, services and works according to the DS Compro Boliviano

- The Project has taken on the role of promoter of the Compro Boliviano at the national level, through an alliance with the Ministry of Finance (directing body) and the publication of an offprint in the country's written media.
- Coordination has been carried out with other USAID projects (democratic initiatives) for the financing of two inverse fairs in Ascension de Guarayos in the region of Chiquitania and in San Benito in the region of los Valles Altos of Cochabamba. Likewise, agreements have also been made with the BTBC – Economic Opportunities project.
- Close to 100 of the country's municipalities have received training on the application of the D.S. 27328 "Compro Boliviano", in coordination with the Ministry of Finance. This activity is being executed through workshops in different departments of the country.

Result 3: An institutional and productive fabric of the municipality that is appropriate for the local economic development (DEL).

- Actions in the Municipality of El Alto. A company titled "Nueva Economia" has been contracted to carry out the study: "Economic Development Strategy of the Municipality of El

Alto”. This study will enable coordination with other agencies of international cooperation. The execution of this study has been fully assumed by the technical experts of the municipality of El Alto, mainly the Greater Office of Economic Development, the Mayor and the Municipal Council. It will be the guiding document regarding the actions of the municipality on local economic development. It is hoped that it will become an instrument of municipal public policy given that it is the first strategy of its kind in the urban scene.

- In the regions of Chiquitania and Amazonia actions have been initiated on the topic of tourism from the municipal sphere. This initiative has enabled mobilizing municipal resources and international cooperation to promote the creation of conditions that can propel an economic opportunity related with the touristic vocation of the municipalities of these regions.
- In the region of Altiplano, the Project is supporting the municipalities of Turco and Curaguara de Carangas in the internalization of their economic vocation in municipal planning with the execution of the National Plan of Camelidae (ie. Llamas and alpacas) in the municipality.
- In the regions of Valle Alto de Cochabamba and the Tropic of Cochabamba, municipalities have received support on the “Municipal Vaccination Campaign Against Foot-and-Mouth Disease”. These activities have been successfully coordinated with the Mancomunidad of Municipalities. It has strengthened the initiative for forming Local Economic Development Units (UDEL) and fortifying alliances between the municipality and private actors in the area.
- Efforts were initiated to support the Municipality of Cochabamba in the area of local economic development. This strategy will enable an integration of DEL actions between Valle Alto and the Tropic of Cochabamba. With El Alto and now with the city of Cochabamba, the Project positions itself in the urban sphere.

Challenges / issues of concern that affect implementation and actions taken for their resolution

- Given the proximity of the national elections of December 4th, it is important to accelerate the execution of the Project’s activities during the next quarter. It is predicted that the months of October through December will be of great electoral intensity.

Recommendations / Responsible parties

- Execute a strategy of financing submission and administration for the Strategy of Municipal Economic Development (EDEM) for the municipality of El Alto with the support of the project's Maximum Executive Authority.
- Monitor the physical execution of projects in the municipalities under direct intervention by the DDCP 3 during this quarter –given the dry season which is favorable for construction— since it will directly impact the performance of our municipalities.

E. AREA: SERVICES AND PROJECTS

Result 1: The municipalities have improved the administration of drinking water services.

- The workshops and technical assistance succeeded in generating an environment of consensus between the EPAs and residents, with the simple explanation of the procedure for calculating rates based on costs of operation and maintenance.
- A technical assistance plan has been prepared that has been accepted by the municipalities to resolve errors of different degrees of seriousness in the functioning of the EPAs.

Result 2: The municipalities have improved the administration of services to eliminate liquid wastes.

- Assessments have been carried out on the needs for services for the elimination of liquid wastes.
- Five Municipal Committees of Administration of Basic Services (CMGSB) have been formed, a move that is improving the indicators of municipal administration and citizen participation. The residents, authorities and institutions of the State close to the issue, seek to solve problems related to the improvement of municipal services and they establish consensus and mechanisms in order to do so.

Result 3: The municipalities have improved public lighting services.

- Development of an informational system was initiated to manage the conditions of the public lighting service. This system will be operational in the next quarter and will enable the generation of information that will contribute to designing maintenance plans, contingencies and investment plans.

Result 4: The municipalities have improved services for managing solid wastes.

- Technical assistance has had a double impact on the municipalities: municipal authorities understand and seek solutions to the problem of solid waste management (in some cases it has become a public health problem); the civil population understands and assumes responsibility for tasks involving education of the citizenry and of carrying out urban cleaning campaigns. These results are more noticeable in Eucaliptos and Rurrenabaque where integral activities have been carried out with municipal authorities and citizens.

Result 5: Investment projects

- A cycle of training has been carried out through workshops on “Formulation and Evaluation of Projects” which has been coordinated through an agreement with VIPFE (for a duration of 3 days). Training has been conducted on the use of instruments of practical application regarding management in the municipalities.

Result 6: The municipalities are capable of generating their own resources

- Support is being provided to the municipality of San Juan with the implementation of the project regarding a real estate inventory, an activity that has the support of the actors of the municipality.
- A proposal for improving IPBI income was submitted to the Municipal Government of Cliza, which was accepted for implementation on the part of the authorities.

Challenges / issues of concern affecting implementation and actions taken for their resolution

- Streamline the functioning of the CMGSB in the majority of the municipalities receiving direct support from the Project.
- Promote the formulation of integral projects.

Recommendations / Responsible parties

- Reach an agreement between the Municipal Executive and the technical team on the formation of the CMGSB in all the municipalities under intervention by the DDCP 3.
- Carry out greater efforts of direct technical assistance and dissemination of the activities of the DDCP 3 Project and promote training campaigns for civil society on the topics of services, projects, and the social oversight of progress on municipal POAs.

F. AREA: GENDER

Result 1: The political participation of women has increased.

- In the area of promotion of women's political participation, 6 workshops have been carried out in the regions where the DDCP 3 is actively involved, with an average of 30 participants per workshop. Workshops for women council members have played an important role in women's social and political empowerment.
- The response document to the National Senate's observations on the Bill Against Harassment and Political Violence has been finalized.
- The DDCP 3 has provided technical assistance to ACOBOL for the process of changing the boards of directors, adjustment to the statutes and preparation of reports with the board of ADECO; support has been given to ACOLAPAZ and the board of ACOBOL on various topics related to the project on "Women for Local Power" and the three-year plan.
- The first round of informational workshops on the Constitutional Assembly has concluded. A total of 6 workshops were carried out with a total participation of 700 women.
- With the purpose of strengthening gender policies and municipal leadership in the Constitutional Assembly, the study "Systematization of women's proposals and Modeling of Scenarios on topics of Political and Economic Leadership" is underway, particularly regarding municipal and decentralization issues.

Result 2: The participation of women in municipal decision-making has increased.

- Informational and transparency meetings on the stages of the CGMP have been carried out in the micro-regions of Altiplano, Chiquitania and Manribe with the total participation of 484 women. With the exception of one municipality in Manribe, all of the women's demands that had been incorporated in the POA remain in the budgets following execution of the EDA 1.
- Four training regional workshops have been carried out for the Oversight Committees on sensitivity regarding the promotion of women's participation in CGMP events (meetings and other events).

- Technical assistance has been provided to the Oversight committees for the allocation of social control funds for the promotion of women's citizen participation.
- Regulations for the Oversight committees have been approved in all the municipalities of the Project's direct action, which will incorporate measures of promotion for women's participation and other gender criteria.
- Assessment documents have been finalized for the 4 regions of the DDCP project's direct intervention. In addition, complementary assessments have been prepared for the 15 municipalities receiving direct technical assistance from the DDCP 3 Project.

Result 3: Gender equity criteria have been incorporated in the preparation of POAs and municipal policies.

- The permanent inclusion of women's demands has been assured in more than 90 per cent of the POAs. The socialization of the CGMP and the preparation and implementation of follow-up strategies with women leaders and women's organizations has contributed to this progress as well as the strengthening of these organizations.
- In Chiquitania and Manribe, normative mechanisms have successfully been established to promote gender equity in the municipal budget and policies.
- The strongest achievements have consisted of working with constituted women's organizations, mainly indigenous women's organizations, as well as establishing a permanent link between these organizations and the processes of municipal administration.
- In Valle Alto it was determined that out of 98 elected women council members, 68 have barely completed the second grade level and close to 30 per cent of these are illiterate. This gender gap requires the development of other methodologies of technical assistance that, by addressing the condition of these women, may strengthen their leadership. Support has been achieved to help the women council members understand their roles and functions.

Result 4: Women's access and control over municipal services has increased.

- Four departmental encounters have been executed with the participation of at least 250 municipal authorities in coordination with the VMM and the UDGs. The most remarkable element has been succeeding in providing follow-up to the municipal EMs that the women council members are carrying out with local technical assistance for the maintenance and strengthening of SLIMs / legal counsel offices; support for the municipal technical experts of these areas; and the development of encounters between municipal authorities for the socialization and generation of proposals for the implementation of a national policy to strengthen the SLIMs.

Result 5: The economic participation of women has been strengthened.

- Technical assistance has been provided to women producer organizations in Chiquitania in order to strengthen the capacity for negotiation of these organizations and to promote a closer link to agencies that promote DEL.

Result 6: Activities of regional coordination

- Preparation of the Gender Strategy has been completed
- Coordination has been undertaken with the VMM regarding the launch of proposals for policies of municipal equity
- The agenda for promoting women's participation in local administration has been defined as well as the actions of support for the political participation of women, the strengthening of SLIMs and the promotion of economic participation.
- The inter-institutional team for promoting certification and issuing identification cards to women has been formed.

CHALLENGES / CONCERNS

Challenges / issues of concern that affect implementation and actions taken for their resolution

- Achieve an integral element in lending technical assistance to the diverse social actors, mainly the council members and EMs by linking legal, planning, management and administration topics.
- Women are not the only ones at a disadvantage given that indigenous peoples and rural populations that exercise functions of representation functions also face gaps in terms of access to education.
- It is necessary to develop training and technical assistance proposals for council members and oversight committees that face gender gaps and ethnic discrimination in terms of access to education.

Recommendations / Responsible Parties

- Lead processes to strengthen the participation and political leadership of men and women with low levels of education, which will lead us to the development of adequate training and technical assistance proposals to confront these realities
- The political turnover in the municipalities make the scene where we work more fragile and "allies of today" become resistant elements of tomorrow. It is necessary to work on an institutional image that is disseminated through the mass media in all the work areas.
- It is suggested that a mass media awareness campaign be launched (TV and radio) regarding the issues of women's rights as citizens, the importance of their participation for the local-municipal development, be this in the public, productive or other spheres.

G. AREA: INDIGENOUS

Result 1: The CIOs participate in Municipal Administration and implementation of infrastructure projects and services.

- Greater capacities of administration have been generated as well as social control mechanisms through events carried out on municipal administration, social control, and instruments of the MGMP Cycle for mayors, council members, oversight committees and OTBs.

- The CIOs have incorporated demands in the POA according to the results expressed in the IDM document carried out in May - June. There is an increased number of projects oriented toward the rural area.
- Technical assistance has been initiated so that the ORCIOS may participate in the process of project administration and their control through execution until they are registered in the 2006 POA.
- Events have been carried out on the Constitutional Assembly in coordination with UCAC, ORCIOS and MAIPO.
- Actions have been initiated to make the PGTI and PDM compatible through inter-institutional coordination by involving the MACPIO and the MPP.

Result 2: The MGMP is embraced by the CIOs through their representatives in the Municipal Governments, the oversight committee, its ORCIOS and its deputy mayors.

- The ORCIOS are participating in all cycles of the MGMP, incorporating demands from the CIOs and assuming actions of social control over municipal administration.
- Rural and indigenous municipal authorities in the municipalities of the DDCP 3's areas of intervention are embracing the instruments of the MGMP cycle. Proof of this is that the authorities are submitting their respective reports and civil society has responded with its participation at said events.

Result 3: The TCOs join with the municipalities to promote economic growth.

- Actions have been initiated so that the municipal governments assume policies and actions of support for economic promotion based on their potential and the productive vocation of the region. This is done by supporting promotional fairs according to the municipality's vocation (as in the case of the municipalities of Altiplano).
- The ORCIOS have been incorporated into the process of organization and execution of fairs for economic promotion. The importance of this learning process is the commitment assumed by the ORCIOS in this area of economic promotion.
- Capacities for negotiation and generation of synergies have been generated on the part of municipal governments involved in this activity.
- A working group has been formed on forestry related issues with diverse institutions involved in forestry activities (BOLFOR II, SNV, CADEFOR, CIFOR, UFM's and Prefectures). This group will act as the basis of direct support for the municipalities of the areas of Amazonia and Chiquitania in terms of strengthening the actions of UFM's and indigenous forestry organizations (TCOs).
- The ORCIOS are showing an interest in incorporating actions of economic promotion (TCOs) as part of the process of organizational strengthening with territorial administration plans, forestry administration and producer associations that are part of the organization as well as to carry out fairs.

Challenges / issues of concern that affect implementation and actions taken for their resolution

- The work with ORCIOs is permanently linked with political actions in the national scene. Therefore it is important to take measures that do not distort the activities planned with these actors.
- It is important to generate capacities within the municipal actors according to their competencies in order that the actions of transparency and social participation with responsibility be an important element of the MGMP.
- It is imperative to generate capacities in the ORCIOs that support actions of transparency and greater internal democracy so that the actions of coordination with public agencies be undertaken with responsibility and purpose and not be used as a roadblock.

Recommendations / Responsible parties

- Define methodologies to initiate actions of compatibility between the PGTI and the PDM in the Municipality of San Antonio de Lomerio. Involve the MACPIO and the MPP as well as the Prefecture of Santa Cruz.
- Design a plan of support with the UFM by the UFM consultants.
- It is important to coordinate with AMDEOR, Mancomunidades and Jacha Karangas, an event to make the national policy on the breeding of camelidae, operational at the municipal level.

H. AREA: SUPPORT OF NATIONAL GOVERNMENT INITIATIVES

CONSTITUTIONAL ASSEMBLY

- Events have been coordinated with the UCAC and MACPIO regarding the dissemination of information on the Constitutional Assembly for ORCIOs. These events have enabled the ORCIOs to generate proposals of interest to them submission to the Constitutional Assembly.
- Support has been provided to the Mixed Parliament commission on the dissemination of the Special Law Convening the Constitutional Assembly (LELAC) and in this sense support was given to the National Electoral Court to edit an offprint including LELAC's proposal.
- Monitoring and follow-up of the consultancies financed for FAM. This will provide information for both the National Government (internalization of said inputs) and civil society organizations (ORCIOs) for the creation of proposals for the Constitutional Assembly.
- Support is being provided through FAM for the execution of events to discuss the autonomous process in the departments of Bolivia.
- The terms of reference for the execution of a NATIONAL SEMINAR ON DECENTRALIZATION have been designed. This event will enable the definition of action lines and strategies to follow on behalf of the national government (MPP). This is currently under discussion with the new authorities of the MPPs.

APPLICATION OF THE PAI

- Efforts have been undertaken to make the PAI compatible with instruments generated in the DDCP 3. These actions have been coordinated with the MPP. Currently, a working agenda exists between the two institutions. The change of authorities of the MPP has delayed the proposed agenda.

MUNICIPAL TRANSPARENCY

- Cooperation Agreements exist between the DDCP 3 and the Controller General of the Republic (CENCAP) and the Ministry of Finance, geared to executing training events on SAFCO- related issues for municipal authorities and technical experts with CENCAP accreditation. The process is under execution.
- In coordination with the Ministry of Finance, departmental events of dissemination have been carried out on the COMPRO BOLIVIANO with the purpose of generating conditions and capacities on the part of the municipal governments to implement this policy. Within the framework of the signed agreement, support has been given for a digitalized version of the DS Compro Boliviano.
- In coordination with the Controller General of the Republic (CENCAP) and the MPP, training events on SINCOM and the SAFCO law have been carried out. As a result, the municipalities under DDCP 3 intervention have submitted their financial statements to the Ministry of Finance and their accounts are current. Support has also been provided for a digitalized version of SINCOM.
- Actions are being coordinated with the MPP in order to generate capacities in the municipalities on the implementation of the SLIM.
- Actions are being coordinated with the MPP in order to continue supporting the implementation of SINCOM in the municipalities.

YOUTH AGAINST POVERTY.

- Support is being provided for a training program for Youth with Popular Participation (JCPs), involving DDCP 3 facilitators.
- Material has been prepared for motivation and dissemination of the Youth with Popular Participation (JCPs) program.

THE MGMP

- Terms of reference exist for the creation of the MGMP with the Prefectures (compatibility with the public administration model). The consulting services will be hired in close cooperation with the MPP.
- Actions are being carried out with the MPP so that the MGMP may be assumed by other municipal governments of the country. To this end, alliances are being made with private institutions, municipal associations, FAM and mancomunidades.

ALLIANCES WITH INSTITUTIONS FOR THE ISSUE OF LOCAL ECONOMIC DEVELOPMENT (DEL)

- A working group has been formed on forestry related issues geared to developing a model of municipal forestry administration. The group includes the participation of BOLFOR, CADEFOR, SNV, UFM, CIFOR and the Prefecture of Santa Cruz. It is an important agency for generating public policies on forestry related issues.
- Actions of coordination have been carried out with the Ministry of Sustainable Development and the INRA for generating capacities in the municipal governments to optimize the full use of forest resources and coordination with the TCOs (with their plans of forestry administration).
- An agreement exists with the VIPFE to carry out events on the formulation of projects according to the existing norm geared to generating capacities in the municipalities on the submission of projects.
- With the DUF (FPS and FNDR) an agenda of cooperation has been defined on the formulation and administration of integral projects that will enable the generation of regional impacts (see the case of the airport of Rurrenabaque) and infrastructure projects geared to generating conditions of tourism development in the municipalities of Amazonia and Chiquitania.
- An agenda of coordination has been defined with MACIAS for the implementation of the National Policy of Camelidae. As a result of this process, agreements of responsibility will be formed among municipal governments, associations of camelidae breeders, the Prefecture of Oruro, and the mancomunidad of municipalities.
- The campaign against Foot-and-Mouth Disease in the Valle Alto is being coordinated with the SENASAG. The campaign involves the mancomunidad of Valle Alto in this process as well as the municipalities of DDCP 3 intervention as well as the associations of breeders. This will generate conditions of competitiveness in the breeders of Valle Alto.
- A working agenda with MACPIO, MPP-PDCR II, CIPCA and the ORCIOs is available to develop methodologies of compatibility between the Plans of Indigenous Territorial Administration and the Plans of Municipal Development.
- With the Vice Ministry of Tourism, a revision of the training instruments (training manuals) on tourism issues is being co-sponsored in accordance with the characteristics of the regions.

MAPPING OF INSTITUTIONS:

| PUBLIC INSTITUTIONS | ACTIONS OF COORDINATION |
|---|--|
| Ministry of Popular Participation (MPP) | Strategy of education on autonomies (National Seminar on decentralization, workshops, etc) |
| | Development of a methodology on reconciliation between PGTIs and PDM |
| | Training events for municipal governments and JCPs |
| DUF | Administration of integral projects for Chiquitania and Amazonia |
| Ministry of Finance | Dissemination of the Compro Boliviano and inverse fairs |
| General Controller of the Republic | Events for accreditation on municipal topics with CENCAP |
| MACIA | Implementation of national policy of camelidae |
| SENASAG | Vaccination campaign against Foot-and Mouth Disease in |

| | |
|---|--|
| | Valle Alto |
| Vice Ministry of Public Investment and External Financing | Events for the formulation and administration of projects |
| Ministry of Sustainable Development | Inter-institutional coordination to optimize the use of forestry resources in the municipalities |
| INRA | Coordination between TCOs and municipalities. |
| MACPIO | Events on the Constitutional Assembly for ORCIOs |
| | Develop methodology of reconciliation between PGTIs and PDM |
| Mixed Parliament Commission | Dissemination of LECAC |
| National Electoral Court | Editing of LELAC proposal |
| Unit of Coordination for the Constitutional Assembly | Coordinated studies and events for the dissemination of the Constitutional Assembly and autonomies |
| FAM | Financing of consultancies in support of the agenda of representation; institutional strengthening |

Challenges / issues of concern that affect implementation and actions taken for their resolution

- The general elections to be held next December and the subsequent transition and swearing-in of new authorities requires an adjustment in the project's timetable on the issues of the national agenda. It should be taken into account that the current government is a transitional one and that many actions are therefore short term.

I. AREA: STRENGTHENING OF ASSOCIATIONS AND MANCOMUNIDADES

The representation agenda through proposals (FAM/UCAC/MPP)

- Monitoring of the consultancies of the FAM representation agenda continued: compatibility with TCOs and municipalities; inclusion of citizenry in formal education; regional economies.
- A workshop was developed with the assistance of the two vice ministers of popular participation, the director of FAM; the coordinator of UCAC decentralization, MPP directors and, on behalf of DDCP 3, the director and deputy director and the group of consultants where each one presented the approach of his work through terms of reference.
- Three proposals for international consultancy were solicited and received within the framework of decentralization, which will be presented again based on changes resulting from the consultation process on the issue of autonomies.
- By the end of the quarter all products on oversight of municipal governments, TCOs and municipalities, citizenry and formal education and the first product on regional economies had been commented.

- Various meetings with the MPP were held to explain the consultancies.

The agenda of representation for autonomies and the Constitutional Assembly (via the UCAC and FAM):

- A memorandum of understanding was negotiated and signed whose main result was a training program on municipal autonomies which by the end of the quarter had been held at three departments (Santa Cruz, Tarija and Chuquisaca); events were planned to cover the nine departments.
- The agenda of representation for concurrent decisions: via SUNY/DDPC 3 was agreed upon and a memorandum of understanding was signed with SUNY with the objective of developing encounters of concurrent decisions; in the course of the quarter all methodological instruments were agreed upon and all corresponding agreements and contracts were formalized. Also, training began for the EDC on electoral district 45 in Chuquisaca with the participation of the municipalities of Yotala, Poroma, Yamparáez, Tacuba, as well as the uni-nominal delegate and the person in charge of the UAG's technical support. Plans had been made and agreed upon with the Association regarding three EDCs in Tarija, Beni and in Santa Cruz.
- The representation agenda through the FAM direct route was analyzed to regulate the new law of hydrocarbons and FAM was instructed to execute the corresponding bidding process.

Municipal Strengthening Program

- The mapping of the baseline was planned for a sample of municipalities by each association and the sample of municipalities was selected; training on the IDM was organized for managers and technical expert associations. However, it was decided to apply an alternative tool of assessment for the associations while the IDM is validated with direct action from the DDPC 3 in the municipalities. That specific instrument will be managed by the associations according to the municipal strengthening of the prefecture and at closing of the quarter it had achieved a progress level of 80 per cent along with the guidelines for its application.

J. AREA: TRAINING

Result 1: The IDM of the municipalities is progressively improving; municipal actors are sufficiently trained for a quality administration given that they have a pertinent curricular design at their disposal..

- Support provided in the Monitoring Workshop by the QED/Group in the Tropic of Cochabamba (April 6 – 8).
- Support and organization of an Internal Workshop (for local technical experts) on IDM, the Official Land Register, and Planning. An IDM Workshop will also be held for mancomunidades and associations. (April 18 - 21)

- Support and organization of workshops on SABS, the Compro Boliviano and SINCOM 2005 in La Paz (April 25 – 30) for all the municipalities of the department.

Result 2: The Project and its components receive communicational support in the course of their activities; furthermore, the area develops projects for the benefit of different actors.

- Detection of institutional demands for training and production of materials.
- The design of a strategy for training and producing training materials is in the process of being developed taking into account the retreat of Universidad Nur from the Project.
- Provide support to all the different areas for the execution of activities to train and produce materials.
- Municipal Finances (Review of CENCAP – DDCP 3 agreement, meeting of coordination for training activities with CENCAP)
- Gender equity (support provided for the organization of the training plan and the production of educational materials)
- Local Economic Development (Support for the coordination with the Don Bosco Educational Unit – El Alto to carry out an educational fair)
- Indigenous (support for a review of the primer on the Forestry Law)

NUR Agreement

- Analysis of the NUR – DDCP 3 agreement
- Coordination meeting with NUR to define products
- Establishment of consensus for the execution of activities with the exception of any activity related to the production of materials (written report)
- The relationship between the DDCP 3 and Universidad NUR was mutually terminated following the identification of problems between the two institutions, which made a continued relationship unsustainable.

Other activities

- Promotion of Communication and Municipal Citizen Information Units (UCIMs),
- Seminars for social and journalist communicators of the areas covered geographically by the DDCP 3 that are linked to the municipal dynamic and integral development ,
- Support on the production of the Informational Bulletin of the municipality of Rurrenabaque
- Publication of an offprint on the Constitutional Assembly
- Publication of a Normative Compendium on Decentralization - multimedia version.

Challenges / areas of concern that affect implementation and actions taken for their resolution

- Actions relative to Training and Technical assistance need to be reformulated and reorganized within the framework of direct administration of the project.
- In the area of communication, the future challenge is the establishment of settings and mechanisms of municipal informative transparency that will become effective with the

implementation and inauguration of the Communication and Municipal Citizen Information Units (UCIMs).

- Continue with the process of coordination of the communicators and the processes of municipal administration and social participation at the local level.

RECOMMENDATIONS / RESPONSIBLE PARTIES

- The area of communication will develop mechanisms of early alerts to modify the actions in a timely manner in order to obtain the expected objectives and results.
- Establish the adequate levels of coordination to improve efficiency in the generation of products of support of the project.

K. FOLLOW-UP AND EVALUATION

- Planning adjustments have been carried out with the different technical regions and areas of the project.
- A database for planning, follow-up and evaluation is being designed.
- On-going communication has been maintained with all those responsible for the different areas, regional coordinators and the DDCP 3 Project's Management Committee.
- At the request of the COP, the Transparent Transition report has been designed and revised.
- A review of the quality of data of the reports submitted has been made. To strengthen this aspect, two workshops have been conducted, the first on April 21 and the second on June 22 in the city of La Paz with the participation of all area and regional coordinators.
- As a result of the workshops held on June 21, preparation formats for the quarterly reports have been adjusted; instructions for the timetable and submission of reports has also been designed and lastly, a manual has been created, which is titled: "Guidance for the Preparation of Reports".
- With the arrival of Katharine Weathley and Jerome Harrison Burns, QED consultants, two workshops have been carried out: the first in the area of Chimore in the Tropic of Cochabamba and the second in the area of Coroico in Yungas de la Paz. Both workshops were geared to strengthening the strategies of intervention of the DDCP 3 project in these regions.

Challenges / areas of concern that affect implementation and actions taken for their resolution

- Conclude the planning database
- Integrate the results of the IDM to the indicators of the results framework

Recommendations / Responsible parties

- Actions coordinated between all the actors of the Project.

Annex 1 : DDCP 3 TIMETABLE

(Timetable of activities showing what has been scheduled)

Annex 2: Financial information

Financial management.

Annex 3: Support for Products and other Documents

Information on conducted studies, databases, training modules or any other product that was obtained during the quarter may be added.